

SUMMARY REPORT ON HOUSING CONSERVATION

BACKGROUND

In January 1974, the Berkeley City Council adopted a "Housing Conservation Policy" and established a Task Force to prepare a comprehensive report on housing conservation. That report, which is summarized in this publication, was received by the City Council on June 24, 1975.

(In the near future, a workshop session will be held by the Council to discuss in depth the content of the Report.)

The complete Comprehensive Report on Housing Conservation reviews the City's past and present conservation activities; places those activities in a national context by reviewing conservation programs in other cities; provides an analysis of Berkeley's households and housing stock; recommends housing conservation goals and policies; sets forth a program strategy for achieving conservation; discusses the costs, direct and indirect, of implementing the strategy; and discusses the Housing & Development Department as the implementor of the housing conservation strategy. In addition, the report presents background data and program summaries in a series of tables and appendices.

The Comprehensive Report on Housing Conservation is the only existing document which provides a broad perspective of the City's past and present conservation involvements and sets forth a direction for future involvement.

In preparing the Comprehensive Report, the Task Force drew upon interviews of key staff within the City and Redevelopment Agency; review of literature on municipal rehabilitation programs in other cities; interviews of staffs conducting municipal rehabilitation programs in other cities; interviews of experts in the field of housing; information gained by participation in key meetings within the City with respect to such topics as reorganization, Community Development Revenue Sharing, the Pilot Rehabilitation and Municipal Loan Programs; written material on various City plans, proposals, programs, and policies, windshield surveys; available data on Berkeley's housing stock and population; suggested policies provided by the Housing Committee of the Planning Commission; and lengthy Task Force discussions of the various issues involved.

During the year in which the report was being prepared, three major events took place which had significant impact on the direction of the report:

- In August, 1974, the Housing and Community Development Act was passed by Congress and mandated preparation of an application for Community Development Block Grant funds. The City's Community Development Application included a comprehensive housing program which was funded for 1.5 million dollars. That program is the core of the first-year proposed Housing Conservation Program.
- In November, 1974, the City Council approved the City Reorganization Plan which created the Housing and Development Department effective May 1, 1975. The proposed Housing Conservation Program will be the programmatic focus of the Housing and Development Department.
- In May of this year, Council reviewed the Residential Rental Inspection Program proposed by the Housing Advisory and Appeals Board. This program embodies a comprehensive approach to systematic codes inspection and enforcement of the City's multi-unit residential structures. It is the core of the Codes Inspection and Compliance Element of the Housing Conservation Program.

The following sections present highlights of the Comprehensive Report. Persons desiring additional information should call 644-6073.

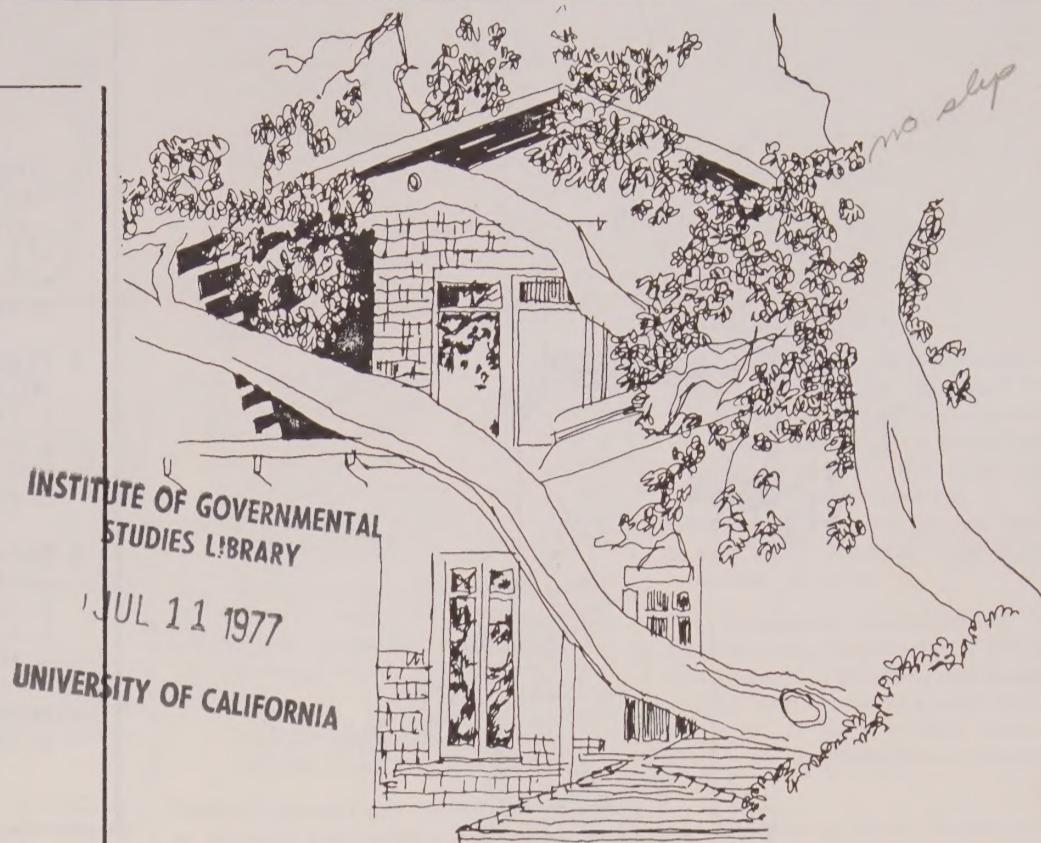
Past and Present City Conservation Activities

The City's involvement in implementing programs to improve and upgrade the housing stock dates back to the mid-fifties. Activities have included the Health and Safety Committee, which held hearings on complaints regarding violations and property repairs; the 1967 concentrated unassisted code enforcement effort implemented in the South Campus Area; the San Pablo Code Enforcement Program started in 1968; the Berkeley Model Cities Program of 1973; and the Pilot Rehabilitation Program of 1975.

During report preparations conservation-related activities were dispersed throughout the City. The Inspection Services Department was implementing the Multi-Unit Inspection Program and the FHA and Cal-Vet Pre-Sale Inspection Program. The Planning Department was involved in the Master Plan Revision, the Housing Element, the Hearst Strip Study, the Vacant Lot Study, and the Condominium Study. The Housing Authority and Redevelopment Agency were implementing the Section 23 Leased Housing Program, the West Berkeley Industrial Park Project and the Savo Island Project.

Conservation Programs in Other Cities

Conservation programs in other cities were reviewed to investigate innovative approaches to rehabilitation, to identify possible funding sources and to study various administrative structures. Programs in Boston, Cincinnati, Dallas, Norfolk, Oakland, Palo Alto, Pittsburgh and San Francisco were reviewed. The administrative structures of the programs ranged from Model Cities Agencies to Housing Authority/Redevelopment Agencies to private nonprofit corporations to City departments. Rehabilitation approaches included loans, grants, and tax credits. Direct borrowing, Federal block grants, general revenues, revenue sharing and foundation loans and grants were the sources of funds to finance rehabilitation programs.



Berkeley's Households and Housing Stock

Information on Berkeley's housing stock condition is very limited and random and precludes comprehensive study of the housing conditions. Because of the limitations of the data sources utilized, further investigation is needed and conclusions drawn here should be interpreted as tentative rather than absolute.

Two study area groups were used for purposes of this analysis. One was the twenty-one areas into which the City of Berkeley has tentatively been divided by the Master Plan Revision staff of the Comprehensive Planning Department. These study area boundaries in most instances correspond to census tracts and are based on a combination of previous studies by the Planning Department, residents' perceptions of neighborhood boundaries as indicated by community contacts during the Neighborhood Traffic Study, and natural physical boundaries.

The other group was the Condition Survey Study Areas, defined in 1973 for purposes of a City-wide survey on repair costs. The City was divided into four areas according to general socio-economic groups, similar population size, and general correspondence to census boundaries. Because of the limited sample used, the condition survey information was aggregated into the four areas from census tracts so that statistically significant information could be obtained on sub-areas of the City.

Information obtained on these areas from a variety of sources was analyzed to:

- Identify Conservation Areas and Categories. Areas feasible for various conservation approaches, ranging from unassisted to totally subsidized, were identified. Special categories were also identified for inclusion in the total conservation program.
- Determine Costs.
- Recommend Programs. The analysis of the data on areas, categories and cost was the basis for the recommendation of various conservation programs. The programs recommended have City-wide impact as well as impact on specific areas/categories.

The procedure used in analyzing the data to identify problem areas/categories, determine cost, and recommend programs was to compare City "norms" with the findings for the various study areas. The "norms" are the percentage, median, mean/average figure(s) for each of a series of variables for the City, such as the percentage of Berkeley's population that pays more than 25% of their income for rent.

The basic conclusions of the data analysis are indicated in the first two tables, which provide a summary of the problem areas in the City.

Proposed Housing Conservation Goals and Policies

Four major goals, which describe the community Berkeley is striving to become, are proposed.

- Goal One Berkeley residents should be insured the availability of decent, standard housing in pleasant neighborhoods at an affordable cost.
- Goal Two The City should promote both direct and indirect actions to upgrade, maintain, and augment the housing stock.
- Goal Three Berkeley should have a housing conservation effort capable of addressing the needs of all residents.
- Goal Four Berkeley residents should be provided supportive housing services.

Specific policies are proposed which indicate the directions in which the City could move to attain the goals.

Condition Survey Problem Areas

CONDITION SURVEY PROBLEM AREAS

	Hills	North/Central	South/West	Campus
1. FOUNDATIONS & VENTILATION	X	X		
a. SFR	X	X		
b. 2-3 Family Units		X		
c. 4-9 Family Units			X	
d. 10 Family & Over				X
2. PLUMBING & MECHANICAL		X		X
a. SFR				
b. 2-3 Family				
c. 4-9 Family				
d. 10 Family & Over				
3. ELECTRICAL	X	X	X	X
a. SFR	X	X	X	X
b. 2-3 Family		X	X	X
c. 4-9 Family			X	X
d. 10 Family & Over				X
4. MAJOR REMODELING	X	X		X
a. 4-10 Family Units				



Master Plan Study Problem Areas

	WEST BERKELEY	WESTBRAE/NOBBS	COW HOLLOW	NORTH BERKELEY	THOUSAND OAKS	HILL	HILLSIDE	NORTHGATE	DOWNTOWN	SOUTH CAMPUS	CLAREMONT/ELMWOOD	WILLARD PARK	BATEMAN	LE CONTE	SAVO ISLAND	FLATLANDS	McGEE	SUDS	SAN PABLO	SOUTH BERKELEY/ MODEL CITIES AREA	
1. Age of Housing	X		X	X	X		X			X						X	X	X	X	X	
2. Persons per Room	X							X								X	X	X	X	X	
3. Rent as a Percentage of Income			X					X	X	X		X	X	X	X	X					
4. Houses Sold	X					X												X	X	X	X
5. Sales with Conv. Financing	X																				X
6. Housing Value	X	X															X	X	X	X	X
7. Mean Annual Income	X			X				X	X	X		X	X	X	X	X	X	X	X	X	
8. Population 62 Years and Over			X	X	X	X				X		X		X		X		X	X	X	
9. Disabled		X					X										X	X	X	X	
	5	2	2	2	2	1	2	4	3	2	2	2	3	2	3	4	5	5	5	6	



Plans to conserve the housing



9 Major elements comprise Program

Proposed Housing Conservation Program

The Housing Conservation Program should be viewed as a general planning document which will provide the programmatic framework for the newly established Housing and Development Department. Additionally, the Housing Conservation Program incorporates and builds upon existing and planned City conservation efforts and defines new, innovative program approaches which the City should utilize. The core of the first year program is the City's approved Community Development Housing Program, the Pilot Rehabilitation Program, and the City's existing codes program.

In adopting its Housing Conservation Policy, the City Council specified that:

... housing conservation is meant to include those governmental actions required to maintain the existing housing stock and the City's residential areas in good condition over time. Such actions may include programs to finance housing maintenance and repair through loans and subsidies; actions to foster the construction of replacement housing and/or relocation housing; provision of public improvements and services to residential areas; and, programs to encourage and promote private investment in home maintenance and improvement, including efforts to mitigate the effects of barriers to such investment."

From this general framework, a Housing Conservation Program has been defined in terms of the following broad program elements: municipal loan, codes inspection and compliance, housing rehabilitation, replacement housing, relocation services, preventive maintenance, architectural and historic preservation, public improvements and services, and housing services. For each element, one, three, and five-year objectives are defined, and projects to facilitate achievement of those objectives are identified and described. Unless specified, all projects are proposed for operation for the entire five-year time frame.

The components of the Housing Conservation Program recognize the need for varying approaches to conservation to address the differences in neighborhood development and housing stock type and condition. Additionally, they take cognizance of the need for leveraging mechanisms to achieve Citywide housing conservation. Housing is a priority issue in Berkeley as evidenced by the allocation of more than fifty percent of Community Development Block Grant funds to housing programs, by the creation of the Housing and Development Department, and by the above mentioned Housing Conservation Policy. Moreover, citizens and public officials acknowledge the existing housing stock to be the City's greatest housing resource. The Housing Conservation Program is a product of that recognition and reflects the concerns of citizens as well as concerns of public officials.

The Housing Conservation Program has been developed under the following assumptions:

- Berkeley City Government is committed to implementation of a Housing Conservation Program and will provide financial support for such a program;
- Berkeley will continue to receive Community Development Block Grant funds for the next five (5) years;
- A significant portion of the City's future Community Development Block Grant funds will be allocated to housing conservation and related programs;
- A State Housing Finance Agency will be established and will provide funding for conservation efforts by local jurisdictions; and
- The City will be in a position to leverage public funds in the private sector to help finance housing rehabilitation and conservation.

Following is a summary of the nine program elements which comprise the proposed comprehensive program.

MUNICIPAL LOAN ELEMENT

Paramount to implementing an effective viable conservation effort will be the development of a flexible financing mechanism which has a capability for addressing the multiplicity of finance-related issues inherent in housing conservation. The loan mechanism should utilize, to the fullest extent possible, methods for leveraging existing funds to facilitate wide scale rehabilitation and reduce dependency upon external funding sources. Additionally, it should produce a multiplier effect of increased investment in conservation areas by private lending institutions.

One-Year Objectives

- To develop an expanded financing mechanism comprised of individual fund accounts for loans in conjunction with specific conservation program components;
- To begin an in-depth exploration of the advantages and disadvantages of alternative leveraging mechanisms; and
- To assess, modify and improve upon existing municipal loan vehicles.

Three-Year Objectives

- To assess the effectiveness of the expanded municipal loan mechanism and make modifications and changes as needed;
- To develop and test financing vehicles which will reduce the City's dependency upon outside funding sources for direct funding of rehabilitation efforts; and
- To determine the effectiveness of alternative financing mechanisms in leveraging available funds at a ratio of approximately ten to one.

Five-Year Objectives

- To reassess, refine and have fully operational a flexible financing mechanism with a capability for effectively addressing financing needs related to housing conservation, including leveraging of available resources and reducing dependency upon external funding sources.

The following projects are set forth for achieving the one and three-year objectives:

- The City's currently operating Municipal Loan Program which is providing loans from one percent to market rate within the three Pilot Rehabilitation areas;
- An expanded Municipal Loan Program for use within the Community Development-funded Neighborhood Rehabilitation Inspection Program, the Emergency Repair Program, and the Physically Disabled and Seniors Housing Rehabilitation Program.

This section of the report also describes six potential sources of funds for expanding the program in order to achieve the Municipal Loan Element five-year objectives.

CODES INSPECTION AND COMPLIANCE ELEMENT

Codes inspection and compliance can be an effective and positive mechanism for achieving conservation of the housing stock. In light of the fact that two-thirds of the City's housing units are renter-occupied, it becomes incumbent upon City Government to develop approaches to code inspection and compliance to facilitate conservation without causing undue hardship to tenants and landlords. This responsibility implies a de-emphasis of the policing power inherent in code enforcement and focusing on a service oriented approach to compliance with stringent enforcement mechanisms for those who can afford to comply but refuse. It also implies development of clear, concise operating procedures which define the role and responsibilities of program staff, as well as the rights and responsibilities of tenants and landlords. Finally, it infers that the City will play a direct assistance role with respect to achievement of compliance.

The Codes Inspection and Compliance Element will focus on renter-occupied structures for the first five years. Coordination with service and financial assistance programs is an integral part of the program approach.

One-Year Objectives

- To define inspection districts within the City based on distribution of multi-unit, residential structures;
- To establish a data base based upon statistical survey samples;
- To commence implementation of a demonstration inspection and compliance project, to include provision of financial assistance to facilitate compliance;
- To provide municipal support to facilitate prompt remedy of immediately hazardous conditions identified throughout the City;
- To systematize the existing codes complaint process; and
- To develop appeals, notification and legal remedy mechanisms to facilitate compliance.

Three-Year Objectives

- To inspect and identify code conditions in multi-unit, residential structures;
- To ascertain the scope of municipal financial involvement needed to achieve correction of various levels of code conditions.
- To implement an efficient and effective notification appeals and legal remedy system; and
- To develop a capability for addressing emergency situations on a City-wide basis.

Five-Year Objectives

- To implement a comprehensive, City-wide codes inspection and compliance system which includes the components necessary to achieve prompt remedy of code violations, without causing undue hardship to tenants and landlords and provide coordination with financial assistance and housing services.

The Residential Rehabilitation Inspection Program, Neighborhood Rehabilitation Inspection Program and Emergency Repair Program are described as specific programs to help achieve the Codes Inspection and Compliance Element objectives.

The Residential Rental Inspection project will revise the City's current multi-unit inspection program and establish a Citywide comprehensive codes inspection and compliance system, including an appeals mechanism, coordination with training and housing service programs, and compliance timetables. The project will operate within a framework of aiming for maximum compliance while minimizing financial hardship to tenants and landlords. The system will be implemented in phases over a period of five years.

The Neighborhood Rehabilitation Inspection Project was funded through the Community Development Block Grant and will establish a small demonstration district within one of the larger inspection districts discussed in the Residential Rental Inspection Project. It will be a three-year project designed to test the City's ability to implement systematic codes inspection and compliance, utilizing a service approach to compliance. Appeals, notification, and complaint procedures, as well as application of defined hardship criteria, developed in conjunction with the Residential Rental Inspection Project, will also be tested.

The Emergency Repair Fund is one of the components of the Community Development Housing Program approved for funding during the first year. The purpose of the Fund is to provide the City with a flexible mechanism for addressing emergency situations involving immediately hazardous conditions which are discovered through the City's conservation efforts. The Fund will serve as a complement to the Residential Rental Inspection Program, the City's ongoing residential complaint process and the Neighborhood Rehabilitation Inspection, Physically Disabled and Seniors Housing Rehabilitation, Pilot Rehabilitation, Landmarks Preservation, and Neighborhood Housing Rehabilitation projects. It is viewed as a necessary and important tool for stemming rapid deterioration of the housing stock.





HOUSING REHABILITATION ELEMENT

Better than ninety percent of Berkeley's residential structures are comprised of one to four units. While this category by no means represents how or where most Berkeley residents live, it does provide an indication of the residential development system of the City. The majority of Berkeley's residential neighborhoods are low density with older housing stock and utility infra-structure. While much of the housing stock is in good repair, a significant amount, particularly in the West Berkeley, South Berkeley and Flatlands areas of the City, are in need of extensive repair. A conservation approach directed at a total upgrading of neighborhoods, including public improvements and institution of continuing maintenance plans as well as rehabilitation of residential structures, is needed.

One-Year Objectives

- Provide direct financial assistance for rehabilitation of fifty (50) properties and technical assistance in securing bankable loans of one hundred (100) properties in the target areas of the Pilot Rehabilitation Project.
- Translate experience gained in the Pilot Rehabilitation Project into a viable rehabilitation approach for conservation of low density areas of the City.
- Provide direct financial and technical assistance for rehabilitation of twenty (20) properties owned by the elderly and/or physically disabled.
- Provide surveys and technical assistance to an additional 500 property owners.
- Develop construction expertise in two teams of construction trainees to augment the Pilot Rehabilitation and Physically Disabled and Seniors' Housing Rehabilitation projects.

Three-Year Objectives

- Implement a Neighborhood Housing Rehabilitation Project which builds upon the experience gained in the Pilot Rehabilitation Project, and which has a capability for rehabing one hundred (100) properties annually.
- Expand the Rehabilitation component for the elderly and physically disabled to accommodate rehabilitation of fifty (50) properties annually.

Five-Year Objectives

- Implement a full scale housing rehabilitation approach which can rehabilitate two hundred (200) properties annually through direct financial assistance and generate rehabilitation through private financing for an additional two hundred properties.

The current Pilot Rehabilitation and Construction Training Program, the Community Development-funded Physically Disabled and Seniors' Housing Rehabilitation Project, and the proposed Neighborhood Housing Rehabilitation Project are set forth as specific programs to achieve the Housing Rehabilitation Element objectives.

The Pilot Rehabilitation Program is a demonstration rehabilitation effort designed to physically upgrade three pilot areas, approximately three blocks each, containing a total of approximately three hundred fifty (350) units. The project is testing the following concepts: the ability to generate private lending institution interest in areas they have formerly avoided and encourage them to make bankable loans to qualified residents; the feasibility of mitigating rent and tax increases; the ability of the City to use its Municipal Loan Program in order to make high risk loans and develop a portfolio with an average yield equal to the City's borrowing rate; and the ability to have a high level of community participation in a conservation program.

The Construction Training Project, currently being operated within the San Pablo Code Enforcement Area, also operates in conjunction with the Pilot Rehabilitation, Neighborhood Housing Rehabilitation, Neighborhood Rehabilitation Inspection, Physically Disabled and Seniors' Housing Rehabilitation, Landmarks Preservation, Residential Rental Inspection, and Emergency Repair Projects. The project, which provides training to the unemployed and underemployed, will be used to leverage loan funds in cases in which repairs are too extensive for coverage by the maximum loan allowed, and in cases involving emergency repairs which the owner is not willing to make. The Physically Disabled and Seniors' Housing Rehabilitation project will build upon the effort initiated by the Model Cities Program to provide rehabilitation services to the elderly and will expand it to include the physically disabled. The program will, to the extent possible, be a concentrated approach to rehabilitation. Technical staff assistance and direct financial assistance in the form of loans will be provided to participants to facilitate conservation of approximately 20 properties during the first year.

The Neighborhood Housing Rehabilitation project will address the need for upgrading the City's low density residential neighborhoods. It will utilize a concentrated rehabilitation approach and will focus on properties containing one to four units. The project will build upon the positive programmatic and operational experiences gained through the Pilot Rehabilitation Project. The Project will operate within the conceptual framework of varying interest rates for loans.

ARCHITECTURAL AND HISTORIC PRESERVATION ELEMENT

Berkeley has a rich heritage of architecturally and historically significant buildings. Some of these buildings have state and national significance as well as being landmarks of Berkeley's historical development. Preservation of these landmarks is tantamount to preservation of the historical integrity of the City's development.

The importance of the need for preserving historically significant landmarks was affirmed by the Federal Government with the passage of the National Historic Preservation Act of 1966. This Act established the Advisory Council on Historic Preservation to advise the President and the Congress on matters concerning historic preservation. Berkeley City Government reaffirmed that recognition and its own commitment to historic preservation with the adoption of the Architectural Heritage Ordinance and appointment of the Landmarks Preservation Commission. However, if historic preservation is to be realized on a sizeable scale, it will be necessary to develop a program which defines the magnitude of the issue and identifies viable courses of action.

One-Year Objectives

- To develop an inventory of architecturally and historically significant landmarks and sites, including those landmarks and sites of state and national as well as local significance;
- To commence development of a landmarks preservation plan; and
- To obtain funding to conduct a survey of landmarks.

Three-Year Objectives

- To develop a landmarks preservation plan for effectuating large scale preservation of landmarks and sites;
- To develop mechanisms to facilitate preservation without causing undue financial hardship to owners of landmarks.

Five-Year Objectives

- To implement a program to address a broad spectrum of issues related to historic preservation; and
- To develop mechanisms to ensure continued maintenance and preservation.

To achieve the above objectives, it is proposed that a Landmarks Preservation Project be implemented to address the variety of issues related to preservation of architecturally and historically significant landmarks and sites. These include: how many and where are the landmarks, how much and in what form is financial assistance required to effectuate preservation, what role should the City play with respect to preservation, and what are the alternative sources of funding.

REPLACEMENT HOUSING ELEMENT

A major goal of the City's housing conservation efforts is to upgrade the housing stock in order to increase the level of the standard housing supply. However, there will be occasions when rehabilitation will not be economically feasible and demolition will be required. In order to maintain the level of the

housing supply it will become necessary to replace those structures not feasible for rehabilitation. Concomitantly, it will be necessary to provide relocation housing for the occupants of structures to be demolished. At present, City Government has not developed and institutionalized effective mechanisms for meeting these two responsibilities.

One-Year Objectives

- To study the feasibility of alternative mechanisms for providing replacement housing; and
- To test alternative approaches to development of relocation housing.

Three-Year Objectives

- To develop a viable, effective mechanism for providing replacement housing; and
- To develop a plan for phased replacement of structures identified through other conservation efforts.

Five-Year Objectives

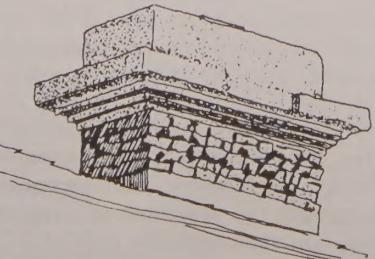
- To implement effective approaches to the development of replacement housing.

A Land Banking Fund is proposed as one approach to achieving the above objectives. Such a fund would be used primarily as a resource for replacement and relocation housing in conjunction with the City's total conservation effort. It would be a tool for acquiring sites which in the future would be used for development of new housing. Monies from the first-year Community Development Block Grant have been allocated to conduct a feasibility study on alternative approaches to land banking.

CONTINUING AND PREVENTIVE MAINTENANCE ELEMENT

Conservation efforts will be directed at breaking the cycle of deterioration. In order to achieve lasting effects from conservation, it will be necessary to address the problems which contributed to deterioration initially. In most cases, deterioration in housing is the result of deferred maintenance over a long period of time. While maintenance is deferred for a number of reasons, including willful neglect, it is most often due to inability to make the necessary repairs. This can be due to financial reasons or to a lack of knowledge of how to make even the simplest kind of repair. Mechanisms must be developed to address these situations in an effort to reverse the trend of housing stock deterioration.

→ *Continued on Page 6*





PROGRAMMATIC COMPARISON OF REHABILITATION PROJECTS

	RESIDENTIAL RENTAL INSP	NEIGHBORHOOD REHAB INSP	EMERGENCY REPAIR FUND
APPROACH	Systematic insp & compliance — districts & timetables	Concentrated insp & compliance	Citywide
TARGET POPULATION OR STRUCTURE CLASS	Multi-unit resid structures	3+ unit structures — immediately & incipiently hazardous conditions	Residential structures
FINANCING & MECHANISM	<i>Not available</i>	CDBG — Muni Loan Program	CDBG — Muni Loan Program
Loan Terms	<i>Not determined</i>	<i>Not determined</i>	<i>Not determined</i>
maximum loan	<i>Not determined</i>	<i>Not determined</i>	<i>Not determined</i>
interest	<i>Not determined</i>	<i>Variable</i>	<i>Not determined</i>
loan term	<i>Not determined</i>	<i>Not determined</i>	<i>Not determined</i>
deferred payments	<i>Not determined</i>	<i>Not determined</i>	<i>Not determined</i>
PROGRAM SERVICES	<i>Not determined</i>	Prop surveys, work write-ups, cost est, bid docs-prep, bid solicitation & eval, loan packaging, record of legal docs	Same as in Neigh Rehab Insp
LINKAGES	Muni Loan Program Neigh Rehab Insp Emergency Repair Construction Training Direct Housing Services Section 8 Relocation Services	Muni Loan Program Emergency Repair Fund Resid Rental Insp Construction Training Direct Housing Services Section 8 Neigh Beautification Relocation Services	Muni Loan Program Neigh Rehab Insp Resid Rental Insp Pilot Rehabilitation Phys Dis & Sr Hsg Rehab Neigh Housing Rehab Direct Housing Services Relocation Services Resid Complaint Process

PROGRAMMATIC COMPARISON OF REHABILITATION PROJECTS (continued)

	PILOT REHABILITATION	PHYS DIS & SR HSG REHAB	NEIGH HSG REHAB
APPROACH	Concentrated rehab & area upgrading	Scattered	Concentrated, area upgrading
TARGET POPULATION OR STRUCTURE CLASS	One to four family structures	Phys dis & elderly — one to four unit structures	One to four unit structures
FINANCING & MECHANISM	Gen Fund — Muni Loan Prog	CDBG — Muni Loan Prog	<i>Not determined</i>
Loan Terms	\$10,000 — singles \$15,000 — 2 to 4 units <i>Variable</i> 20 years 1% int w/\$5 min mo payment	\$15,000 <i>Variable</i> 20 years 1% int w/\$5 min mo payment	<i>Not determined</i> <i>Not determined</i> <i>Not determined</i>
maximum loan			
interest			
loan term			
deferred payments			
PROGRAM SERVICES	Same as Neigh Rehab Insp	Same as Neigh Rehab Insp	Same as Neigh Rehab Insp
LINKAGES	Muni Loan Program Emergency Repair Fund Relocation Services Direct Housing Services Section 8 existing Neighborhood Beautification	Muni Loan Program Emergency Repair Fund Relocation Services Direct Housing Services South Berkeley Seniors Construction Training	Muni Loan Program Emergency Repair Fund Pilot Rehab Relocation Services Direct Housing Services Neighborhood Beautification

HOUSING REHABILITATION QUANTIFIED OBJECTIVES

HOUSING REHAB PROJECTS BY YEAR AND BY TYPE OF LOAN (in number of loans)*

PROJECT	FIRST YEAR		THIRD YEAR		FIFTH YEAR		TOTAL/FIVE YEARS	
	Muni Loans	Private Loans	Muni Loans	Private Loans	Muni Loans	Private Loans	Muni Loans	Private Loans
CODES INSPECTION & COMPLIANCE ELEMENT								
Residential Rental Inspection**	—	—	50	100	150	300	275	550
Neighborhood Rehab Inspection	50	100	75	100	—	—	175	300
Emergency Repair	40	80	60	120	80	160	290	580
Subtotal	90	180	185	320	230	460	740	1,430
HOUSING REHAB ELEMENT								
Pilot Rehabilitation	50	100	—	—	—	—	100	200
Phys Dis & Sr Hsg Rehab	20	<i>none</i>	50	<i>none</i>	75	40	225	65
Neighborhood Housing Rehab	—	—	75	150	125	200	300	475
Subtotal	70	100	125	150	200	240	625	740
TOTAL	160	280	310***	470	430	700	1,365	2,170

*This table does not quantify all activities to be accomplished, such as surveys, financial and rehabilitation counseling, and other housing services.

**Municipal loans to correct hazardous conditions uncovered in the inspection process will be made through the Emergency Repair Fund. The first phase of the Residential Rental Inspection Program is the Neighborhood Rehab Insp Project.

***Substantial increases in the number of loans in the third year are based on the assumption that the City will be in a position to leverage funds to establish a larger loan pool for rehabilitation.

IMPROVING Service Delivery

One-Year Objectives

- To study the feasibility of alternative approaches to preventive maintenance; and
- To develop educational and self-help methods for facilitating continuing maintenance.

Three-Year Objectives

- To develop and test the viability of a preventive maintenance mechanism; and
- To implement educational and self-help methods for achieving preventive maintenance.

Five-Year Objectives

- To develop and implement a preventive maintenance system which addresses the various aspects of preventive and continuing maintenance.

Funds have been allocated from the first-year Community Development Block Grant to study the feasibility of establishing and administering a Prepaid Maintenance Fund. The prepaid maintenance concept is an insurance orientation to continuing maintenance, similar to prepaid medical plans or auto insurance. This type of mechanism would allow property owners to pay a small monthly or quarterly premium to cover certain future maintenance repair costs.

HOUSING SERVICES ELEMENT

Information and referral mechanisms can be effective in increasing service utilization by consumers and service delivery by providers. Tenants, home owners, and landlords have a variety of service needs which have to be addressed in a coordinated manner. Many consumers are unaware of existing services and conversely, many providers of services lack the funds to do effective publicity and outreach.

However, there is a dearth of services within certain program areas. City activities should focus on coordination of existing services and provision of services in areas where few or none exist.

One-Year Objectives

- To develop a service exchange to facilitate coordination of services;
- To compile and disseminate literature on housing related services; and
- To develop and sponsor educational seminars on housing related matters.

Three-Year Objectives

- To develop a housing services delivery system which includes information and referral as well as mechanisms for providing a complement of direct services.

Five-Year Objectives

- To expand upon and improve the housing services delivery system.

Funds from the first-year Community Development Block Grant have been allocated to a Direct Housing Services program component. Through this project, a centralized resource will be established from which citizens can obtain

information which will assist them in resolving certain housing related problems. In addition to information and referral services, seminars will be held on such subjects as purchasing a home, lease contracts, effective property management techniques, and routine maintenance techniques.

RELOCATION SERVICES ELEMENT

Provision of relocation assistance services to households participating in housing conservation efforts is a responsibility of the City. This responsibility exists for cases connected with conservation programs implemented with City funds as well as for programs implemented with Federal Funds.

While relocation assistance payments and services for families participating in or affected by federally-funded activities are mandated by law with prescribed guidelines, this is not the case for locally funded activities. Berkeley City Government, however, recognizes its moral obligations with respect to this issue and has begun to take steps to address it in an effective but practical manner. The Berkeley Redevelopment Agency is Berkeley's centralized relocation agency.

One-Year Objectives

- To develop an effective plan for providing relocation assistance to families affected by conservation activities funded with Federal monies;

- To develop administrative control mechanisms which will facilitate services delivery and evaluation of that delivery; and
- To develop relocation assistance mechanisms and plans for application in conjunction with conservation efforts sponsored and funded by the City.

Three-Year Objectives

- To develop and refine a relocation services delivery system to operate in conjunction with all conservation efforts.

Five-Year Objectives

- To continue to provide effective, equitable relocation payments and support to participants in Berkeley's conservation efforts.

To achieve the above objectives a Relocation Services Project will be implemented as an adjunct to other conservation activities. It will provide relocation assistance in the form of services and payments to persons displaced or temporarily relocated as a result of conservation activities. Because the emphasis of the City's conservation efforts will be on rehabilitation of housing and not clearance and redevelopment, it is not anticipated that there will be substantial permanent displacements. However, provisions have been made for assistance payments in connection with any unforeseen cases that might arise.

PUBLIC IMPROVEMENTS AND SERVICES ELEMENT

Implementing a total approach to conservation will entail upgrading of neighborhoods as well as the housing stock. This will require an assessment of the adequacy of existing public improvements and services and making provisions for needed changes. The significance of this aspect of conservation cannot be overstated. It is a leveraging mechanism as well as one of service. Its leveraging function is related to the City's ability to increase neighborhood cohesiveness, heighten the level of private lending activity in conservation areas, and increase the level of resident participation in neighborhood activities, especially conservation activities.

All projects utilizing a concentrated approach to rehabilitation should include a public improvements and services component.

One-Year Objectives

- To assess the adequacy of public improvements and services in designated conservation areas; and
- To develop neighborhood beautification plans in conservation areas.

Three-Year Objectives

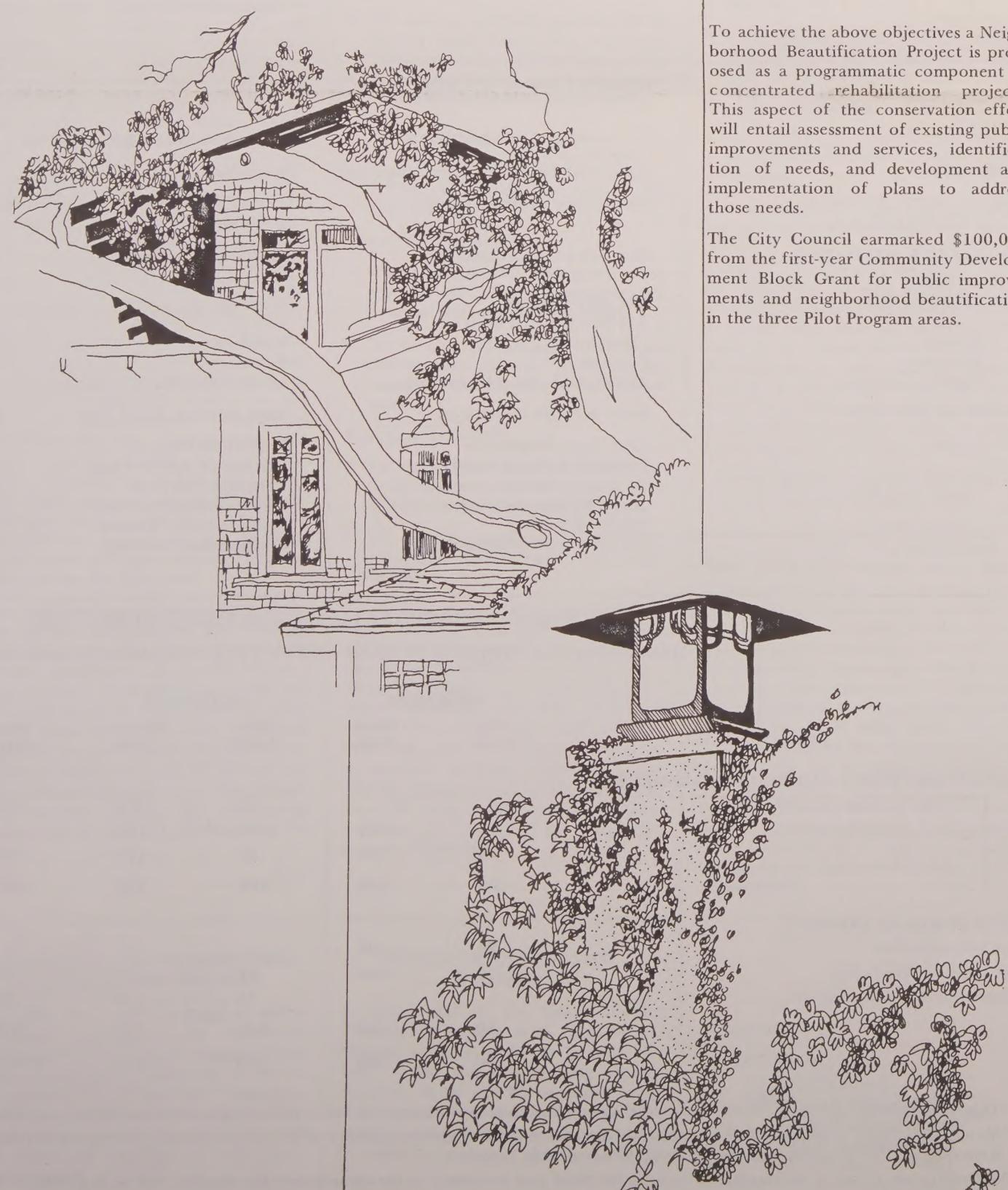
- To implement neighborhood beautification in conservation areas.

Five-Year Objectives

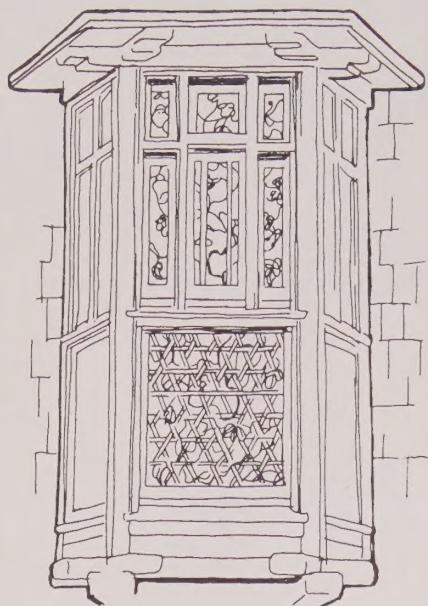
- To develop and implement a system of neighborhood beautification in concert with rehabilitation efforts.

To achieve the above objectives a Neighborhood Beautification Project is proposed as a programmatic component of concentrated rehabilitation projects. This aspect of the conservation effort will entail assessment of existing public improvements and services, identification of needs, and development and implementation of plans to address those needs.

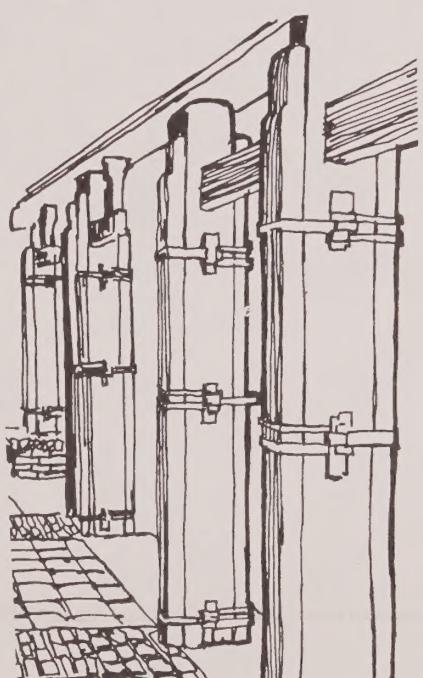
The City Council earmarked \$100,000 from the first-year Community Development Block Grant for public improvements and neighborhood beautification in the three Pilot Program areas.



"to develop and implement a system of neighborhood beautification in concert with rehabilitation efforts."



Summary prepared by the
City of Berkeley
Housing & Development Department
August, 1975



Sketches by Gregory Cloud
Engravings from "Town & Gown"
Courtesy of Berkeley Public Library
Cartoons by KAK

design & production
Information Center
Recreation, Parks &
Community Services

**Direct and Indirect Costs
of Proposal and Sources of Funds**

The costs presented in the following table are estimates of the cost of operating the proposed housing conservation program. Over the next five years the estimated cost of operating the programs is \$16,540,839. Direct costs consisting of programmatic staff, administrative staff and overhead costs and

programmatic funds are estimated to be \$13,784,033 for the five-year period. Indirect costs consisting of the administrative support costs to other City departments are estimated at \$2,756,806. The cost of operating each program and possible sources of funds is described for each year.

**DIRECT & INDIRECT COSTS OF
FIVE YEAR HOUSING CONSERVATION PROGRAM**

DIRECT COST

PROGRAM	1st Year COST	1st Year SOURCE	3rd Year COST	3rd Year SOURCE	5th Year COST	5th Year SOURCE	TOTAL FIVE YEARS
Municipal Loan Program Loans	689,501 64,501 625,000 ¹	CDRS CDRS Sources	1,034,251 96,751 937,500	CDRS, OS Other ² Sources	1,551,377 145,127 1,406,250	CDRS, OS Other Sources	5,429,819 507,944 4,921,875
Resid Rent Insp							
Neigh Rehab Insp	85,283	CDRS	127,924	CDRS, OS	191,886	CDRS, OS	671,579
Emerg Repair	79,809	CDRS	119,713	CDRS, OS	179,570	CDRS, OS	628,494
Pilot Rehab	232,694	CDRS, Gen Fund & CETA					523,561
Neigh Hsg Insp			71,700	CDRS, OS	290,000	CDRS, OS	450,965
Phys Dis & Srs	87,960	CDRS	131,940	CDRS, OS	197,910	CDRS, OS	692,685
Const Training	126,300	Gen Fund	189,450	Gen Fund	284,175	Gen Fund	994,612
Land Banking Program Loans	15,000 15,000 15,000	CDRS ³	177,250 77,250 100,000	CDRS, OS CDRS, OS CDRS, OS	265,875 115,875 150,000	CDRS, OS CDRS, OS CDRS, OS	763,687 338,687 425,000
Prepaid Maint	15,000	CDRS ³	122,750	CDRS, OS	184,125	CDRS, OS	545,312
Neighborhood Beautification	100,000	CDRS	150,000	CDRS	225,000	CDRS	787,500
Relocation Serv Program Payments	188,787 49,287 139,500	CDRS CDRS CDRS	283,180 73,930 209,250	CDRS, OS CDRS, OS CDRS, OS	424,770 110,895 313,875	CDRS, OS CDRS, OS CDRS, OS	1,486,695 388,133 1,098,562
Direct Housing	102,746	CDRS	154,119	CDRS, OS	231,178	CDRS, OS	809,123
TOTAL	1,723,080		2,562,277		4,025,866		13,784,033

INDIRECT COST

Administrative Support	344,616	Gen Fund & CDRS	512,455	Gen Fund & CDRS & OS	805,173	Gen Fund, CDRS, OS	2,756,806
TOTAL							
Direct Costs	1,723,080		2,562,277		4,025,866		13,784,033
Indirect Costs	344,616		512,455		805,173		2,756,806
Total Cost	2,067,696		3,074,732		5,648,212		16,540,839

¹Loans of \$625,000 for the first year of: \$325,000 for Neighborhood Rehabilitation Inspection Program; \$200,000 Physically Disabled-Senior Rehabilitation Program; \$100,000 Emergency Repair Program.

²Other Sources (OS) includes State Housing Finance Agency, National Historic Preservation Act, secondary market, pension funds, direct borrowing and bonds.

³Represents the salary of one planner.



**Administrative Structure
of New Housing and
Development Department**

The administrative structure being proposed to operate the conservation programs is that which has already been established as the Housing and Development Department. This department, operating since May 1, 1975, is responsible for the overall planning, administration and operation of all City housing programs.

OFFICE OF THE DIRECTOR

Overall Administration
Response to City Manager/Council
Liaison with Bds, Commissions,
and Community

BOARDS & COMMITTEES

Hsg Adv & Appeals Bd
Bd of Appeals
Code Review & Study Com
Landmarks Preservation Com
Hsg Rehab Loan Com
Neigh Improvement Committees
San Pablo Neigh Council, Inc

ADMINISTRATIVE SERVICES

Department Budget Control
Municipal Loan Prog Adm & Dev
Dept Accounting Services
Dept Management Consultation
Project Monitoring & Eval
Contract Preparation

PROGRAM PLANNING

Dev Hsg Info Systems
Future Prog Dev
Landbanking Proj
Landmarks Pres Proj
Prepaid Maint Prog
Resid Rent Insp Prog
Funded Prog Dev
Neigh Rehab Insp Prog
Emerg Repair Prog
Phys Dis/Sr Cit Prog
2nd yr CDRS Hsg Prog Dev
Fed Hsg Appl Review
Grantsmanship
Maint Legis Info Sys
Coord with Comp Plan Dept
Bds & Com Liaison Servs

CONSERVATION & DEVELOPMENT

Pilot Rehab Program
FACE/Model Cities Rehab Phase-out
Emergency Repair Project
Sr Cit/Phys Disabled Project
Construction Training Project
City Bldg Project Monitoring

CODES & INSPECTION

Hsg Code Enforcement
Bldg Code Enforcement
Zoning Code Enforcement
Related Codes & Ord Enforce
(approx 12)
Resid Security Project
Resid Rental Insp Project
Neigh Rehab Insp Prog

HOUSING SERVICES

Hsg Info Services
General
City
Referral
Info Material Dev & Dist
Educational Seminars

FROM

Housing & Development Department
City Hall
2134 Grove Street
Berkeley, CA 94704

**BULK RATE
US POSTAGE
P A I D
berkeley, ca.
PERMIT NO. 47**

TO

Northgate Neighborhood Assn.
Kathy Devries
2603 Ridge Rd
Berkeley Ca. 94709

SAs

